

**Regular City Council Meeting of April 24, 2012**  
**City Council Chambers, One Twin Pines Lane**

**CALL TO ORDER 7:30 P.M.**

**ROLL CALL**

COUNCILMEMBERS PRESENT: Lieberman, Wozniak, Feierbach, Warden

COUNCILMEMBERS ABSENT: Braunstein

Staff Present: City Manager Scoles, City Attorney Rennie, Police Chief Mattei, Community Development Director de Melo, Finance Director Fil, Public Works Director Oskoui, Human Resources Director Dino, Deputy Finance Director Lazzari, Information Services Director Harnish, City Treasurer Violet, City Clerk Cook

**PLEDGE OF ALLEGIANCE**

Led by Information Services Director Harnish

**SPECIAL PRESENTATIONS**

**Proclamation Honoring Valerie Harnish, Information Services Director, Upon Her Retirement**

Mayor Warden presented the Proclamation.

Information Services Director Harnish stated that she always looked forward to coming to work every day. She thanked her staff, the City Council, and her husband for their support.

Councilmember Feierbach expressed appreciation for Ms. Harnish's protection and security of Belmont's data and noted that she is always available for assistance.

Councilmember Wozniak expressed appreciation that Ms. Harnish always made herself available after hours for any technical needs. Councilmember Lieberman concurred.

**Proclamation Declaring Arbor Day**

Mayor Warden read the proclamation.

**Presentation Regarding Caltrain Service Changes Related to High Speed Rail**

**Jayme Ackerman**, Government Affairs Officer for Sam Trans/Cal Train, noted that Cal Train's partnership with high speed rail could enable the earlier electrification of Cal Train. She described the need for Cal Train to identify a dedicated funding source after the next fiscal year when revenues for right-of-way acquisition will no longer be received. She stated that train ridership has increased. She outlined deficit reduction efforts that have been implemented, as well as funding projections. She reviewed potential funding sources which include an increase in sales tax, additional transient occupancy tax (TOT), vehicle license fees, or gas taxes, and noted that polling indicates that an increase in sales tax might be supported by the voters.

Ms. Ackerman stated that the Memorandum of Understanding (MOU) between Cal Train and High Speed Rail will provide funds for modernization without the installation of passing tracks, and that electrification could result in increased service to the Belmont station.

In response to Council questions, Ms. Ackerman explained that electrification has been Cal Train's policy since 1990's, is a cleaner alternative and reduces the need for operating subsidies. She described the MOU's role in the nexus between Cal Train and High Speed Rail regarding funding, and clarified that the State legislature would still need to approve funding once all agencies sign off on the MOU. She stated that monies have been allocated for interconnectivity, and the MOU proposes early implementation for Cal Train. She acknowledged that funding for modernization does not include the installation of grade separations.

Councilmember Wozniak stated that there is no support for passing tracks in Belmont.

Councilmember Feierbach stated that she does not support the addition of cantilevers for high speed rail.

Mayor Warden concurred with Councilmembers Wozniak and Feierbach.

Councilmember Lieberman stated that other organizations have been able to raise money through creative funding approaches. He recommended that Cal Train look into an innovative pricing approach.

## **PUBLIC COMMENTS AND ANNOUNCEMENTS**

**Maureen Freschet**, Notre Dame de Namur University, stated that the University's 160<sup>th</sup> commencement would be held on May 5<sup>th</sup>. She also provided a brief update on the situation with the retrofit needs for Ralston Hall. She stated that the clothing drive for Samaritan House will be coming to a close.

## **COUNCIL MEMBER COMMENTS AND ANNOUNCEMENTS**

Mayor Warden stated that the City Council would be holding a workshop on April 25<sup>th</sup> to discuss Priority Calendar. He announced a Streets Alive/Parks Alive event at the Farmer's Market on May 6<sup>th</sup>. He noted that traffic on Ralston Avenue could be affected by Notre Dame de Namur's graduation on May 5<sup>th</sup>. He stated that Bike to Work Day is May 10<sup>th</sup>.

## **AGENDA AMENDMENTS**

Councilmember Lieberman requested that the Meeting Minutes of March 27, 2012, be amended to further reflect comments made during the appointment of a Finance Commissioner to the one-year vacant seat. Council concurred to table the minutes and directed City Clerk Cook to include verbatim comments.

## **ITEMS APPROVED ON CONSENT CALENDAR**

**Approval of Resolution 2012-042 Approving a Purchase Order for Thermoplastic Striping at Various Locations throughout the City for an Amount not to Exceed \$25,000**

**Approval of Resolution 2012-043 Authorizing a Professional Services Agreement with Tristar Risk Management for Workers' Compensation Claims Administration Services in an Amount not to Exceed \$12,500 Annually**

**Approval of Resolution 2012-044 Authorizing the Emergency Replacement of Furnace #1 at City Hall by Clinton Air in the Amount of \$13,295**

**Approval of Resolution 2012-045 Authorizing the City of Belmont to Contract with the San Mateo Energy Watch Program for Upgrades for Lighting Quality, Cost Reduction, and Energy Savings at City Hall, Belmont Sports Complex, Twin Pines Lodge and Cottage, and Barrett Community Center in the amount of \$12,833 with a 10% contingency of \$1,283**

**Approval of Resolution 2012-046 Authorizing Issuance Of A Purchase Order With Dell Marketing For An Amount Not To Exceed \$20,000 To Replace 25 Desktop Computers**

**Approval of Response to the San Mateo County Grand Jury Report Regarding "The County, San Carlos and Cal Fire, a Missed Opportunity"**

**ACTION:** On a motion by Councilmember Wozniak, seconded by Councilmember Lieberman, the Consent Agenda was unanimously approved as amended by a show of hands (4-0 Braunstein absent).

## **OLD BUSINESS**

### **One-Year City Council Review – Ordinance Regarding Semi-Circular Driveways and Access to Parking Spaces Within Residential Districts**

Community Development Director de Melo reviewed the process that was used to adopt an ordinance addressing semi-circular driveways. He clarified that there have been few issues since its adoption, and the ordinance has been implemented well. He explained that three properties were directly affected, and the ordinance helped with the redesign of two driveways wherein pavers were installed instead of asphalt. He stated that the new regulations are not onerous.

Council concurred to maintain the ordinance as is.

### **2035 General Plan Update – Discussion Regarding Project Approach/Schedule**

Community Development Director de Melo outlined the progress that has been made regarding the update of the General Plan. He explained that the land use and goals sections have been discussed and feedback has been received. He noted that it is difficult to receive input and create policy at the same time, and he recommends a different approach by using focus groups with rotating members of City Council and the City's commissions.

**George Burgess**, Belmont Chamber of Commerce, stated that the City of Redwood City recently completed an update of its General Plan, and projects move through the system quickly. He noted that Redwood City also hired an Economic Development Director. He also announced that the Chamber of Commerce was sponsoring a luncheon wherein the Mayor would be the guest speaker.

Councilmembers expressed support for the focus group approach to the ongoing effort of updating the General Plan and outlined their individual interest in the various segments of the Plan.

## **NEW BUSINESS**

### **Discussion and Direction on FY 2013-14 Sewer Cost of Service Study and Sewer Rate Increase Analysis**

Public Works Director Oskoui stated that the City of Belmont has been able to maintain the existing sewer system with limited resources, and he explained the Proposition 218 rate setting process.

**Tom Gould**, Consultant, stated that sewer system operations must be self-sustaining. He noted that the goal is to minimize the rate increase but fund projects and pay for repair and replacement as necessary. He explained that the primary operations and management expense is payment to the South Bayside System Authority (SBSA) for sewage treatment, which continues to rise. He noted that at the current annual capital budget of \$250,000, it will take 100 to 150 years to replace Belmont's sewer system.

Mr. Gould reviewed the debt service covenants contained in existing sewer bonds, and he outlined alternatives for increasing the revenue stream. He stated that Option 3, a three-year phase-in, would provide for reserves to fund projects, and proposes a two-year rate structure. He described the dollar increase for all four options based on average residential water use. He noted that at the current rate, the debt service ratio will fall below the minimum required by the next fiscal year. He explained that there is inadequate capital funding available in the existing rate structure to fund necessary projects.

Mr. Gould provided a comparison of sewer rates of neighboring cities, and noted that Belmont's rate is lower than most other cities.

Public Works Director Oskoui explained the depreciation schedule and book value of the sewer infrastructure. He noted that 35 to 40 percent of the remaining system is older than 50 years.

In response to Councilmember Lieberman, Mr. Gould explained that no analysis was made for commercial rates, and he clarified that the rate is the same for commercial, but the use is higher.

Councilmember Lieberman noted that the more aggressive rate structure outlined in Option 1 is lower than other cities.

In response to Councilmember Wozniak, City Manager Scoles explained that since the City does not bill for water, billing for sewer on a monthly basis would be problematic. He stated that staff has had discussions with Mid-Peninsula Water District regarding this matter, with no favorable results.

Councilmember Wozniak noted that the City of Belmont can only control the amount of flow to the sewage treatment plant, which needs to be reduced. City Manager Scoles expressed the need to address inflow and infiltration (I and I), and Public Works Director Oskoui stated that the State of California is proposing new policies for the use of gray water.

Discussion ensued regarding sewer laterals.

In response to Mayor Warden, Public Works Director Oskoui explained that the nine percent sewage treatment cost increase for Belmont reflects the fact that other cities have reduced their flow to the treatment plant, which increases Belmont's share of SBSA costs.

Councilmember Feierbach suggested that the Proposition 218 hearing notice provide sufficient information for residents to better understand the issue, and recommended additional outreach. She also expressed the need to address I and I as well as sewer laterals.

Public Works Director Oskoui stated that smoke testing will continue, and the entire City will be completed within three years. Costs to repair problems identified through the smoke testing are unknown.

**Ray Moreno**, Belmont resident, provided a comparison of his current sewer bill with that from four years ago. He stated that increase in rates is a hardship on homeowners on fixed incomes.

Mayor Warden pointed out that some of Mr. Moreno's increase from four years prior is attributable to the new \$250 capital project charge. He explained the components of the sewer charges. Councilmember Lieberman explained the structure of SBSA, which charges its members for sewage treatment based on an allocation to each member city.

**RECESS: 10:00 P.M.**  
**RECONVENE: 10:05 P.M.**

Councilmember Feierbach stated that there is a need to continue upgrading the City's sewer infrastructure, and she expressed support for Option 3. She suggested performing outreach to the ratepayers on this matter.

Councilmember Wozniak concurred, and expressed her desire for aggressive policies to address I and I in order to reduce the flow to the treatment plant. She suggested improving the noticing, and looking at decoupling the bill from property taxes in the future.

Councilmember Lieberman concurred with the comments regarding improved notification. He noted that Belmont has an aging infrastructure that needs to be addressed. He stated that he could support Option 3, which limits the City's ability to perform infrastructure improvements, but that he prefers Option 1.

Mayor Warden stated that there is a need to focus on lowering expenses by reducing sewage flow. He noted that treatment expenses continue to rise. He stated he would not support a 17 percent increase and that there is a correlation between the water bill and the sewer bill. He expressed support for Option 3 with a one-year rate increase and a review in one year.

City Manager Scoles pointed out that a two-year rate increase is included in Option 3. He clarified that the Proposition 218 process sets the highest rate and the City Council can select something lower than that. He stated that the rates provide revenue for other activities besides collection, and that there is a cost associated with efforts to reduce flows.

Discussion ensued.

Public Works Director Oskoui stated that the asset management program can address the aggressiveness of the capital improvement schedule.

Discussion ensued regarding potential grant opportunities.

**MEETING EXTENSION:** At this time, being 10:30 P.M., on a motion by Councilmember Lieberman, seconded by Councilmember Feierbach, the meeting was unanimously extended for 30 minutes by a show of hands (4-0, Braunstein absent).

**ACTION:** Councilmember Feierbach made a motion to direct staff to proceed with a Proposition 218 hearing for the two-year rate structure outlined in Option 3, and to perform outreach to the rate payers.

Councilmember Wozniak requested that the motion be amended to include direction to create policies that aggressively address the reduction of flows to the treatment plant. Councilmember Feierbach accepted the amendment.

**ACTION:** On a motion by Councilmember Feierbach, seconded by Councilmember Wozniak, and unanimously approved by a show of hands (4-0, Braunstein absent) to proceed with a Proposition 218 hearing process for the two-year rate structure outlined in Option 3, to perform outreach to the rate payers, and to create policies that aggressively address methods to reduce sewage flow.

## **COMMISSION, COMMITTEE, AND COUNCIL INTERGOVERNMENTAL ASSIGNMENT UPDATES, AND STAFF ITEMS**

### **Verbal Report from City Manager**

City Manager Scoles noted the City Council workshop on Council priorities to be held on April 25<sup>th</sup>. He noted that the Successor Agency Oversight Board will be holding its second meeting on April 26<sup>th</sup>. He outlined Earth Day events that were held the previous weekend.

**ADJOURNMENT** at this time, being 10:35 P.M.

**Terri Cook**

**City Clerk**

Meeting Tape Recorded and Videotaped